

*Fiscal year.* The period which begins October 1 and ends on the following September 30.

*Gallon.* The liquid measure containing 231 cubic inches.

*Losses.* Known quantities of beer lost due to breakage, casualty, or other unusual cause.

*Package.* A bottle, can, keg, barrel, or other original consumer container.

*Packaging.* The filling of any package.

*Person.* An individual, trust, estate, partnership, association, company, or corporation.

*Racking.* The filling of kegs or barrels.

*Removed for consumption or sale.* Except when used with respect to beer removed without payment of tax as authorized by law, (a) the sale and transfer of possession of beer for consumption at the brewery, or (b) any removal of beer from the brewery.

*Secretary.* The Secretary of the Treasury or his or her delegate.

*Service center.* An Internal Revenue Service Center in any of the Internal Revenue regions.

*Shortage.* An unaccounted for discrepancy (missing quantity) of beer disclosed by physical inventory.

*This chapter.* Title 27, Code of Federal Regulations, Chapter I (27 CFR Chapter I).

*Treasury account.* The Department of the Treasury's General Account at the Federal Reserve Bank of New York.

*U.S.C.* The United States Code.

*Wort.* The product of brewing before fermentation which results in beer.

[T.D. ATF-224, 51 FR 7673, Mar. 5, 1986, as amended by T.D. ATF-345, 58 FR 40357, July 28, 1993; T.D. ATF-437, 66 FR 5478, Jan. 19, 2001]

### Subpart C—Location and Use of Brewery

#### § 25.21 Restrictions on location.

A brewery may not be established or operated in any dwelling house or on board any vessel or boat, or in any building or on any premises where the revenue will be jeopardized or the effective

administration of this part will be hindered.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1389, as amended (26 U.S.C. 5402))

#### § 25.22 Continuity of brewery.

Brewery premises will be unbroken except that they may be separated by public passageways, streets, highways, waterways, carrier rights-of-way, or partitions. If the brewery premises are separated, the parts will abut on the dividing medium and be adjacent to each other. If the brewer has facilities for loading, or for case packing or storage which are located within reasonable proximity to the brewery, the appropriate ATF officer may approve these facilities as part of the brewery if the revenue will not be jeopardized.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1389, as amended (26 U.S.C. 5402))

#### § 25.23 Restrictions on use.

(a) *Use of brewery in production of beer or cereal beverage.* A brewery may be used only for the following purposes involving the production of beer or cereal beverages:

(1) For producing, packaging and storing beer, cereal beverages, vitamins, ice, malt, malt syrup, and other by-products of the brewing process, or soft drinks and other nonalcoholic beverages;

(2) For processing spent grain, carbon dioxide, and yeast; and

(3) For storing packages and supplies necessary or connected to brewery operations.

(b) *Other authorized uses.* A brewer may use a brewery for other purposes, not involving the production of beer or cereal beverage, upon approval from the appropriate ATF officer, if the purposes:

(1) Require the use of by-products or waste from the production of beer;

(2) Utilize buildings, rooms, areas, or equipment not fully employed in the production or packaging of beer;

(3) Are reasonably necessary to realize the maximum benefit from the premises and equipment and reduce the overhead of the brewery;

(4) Are in the public interest because of emergency conditions;